

STATE OF SOUTH CAROLINA
State Budget and Control Board
DIVISION OF THE STATE CIO

MARK SANFORD, CHAIRMAN
GOVERNOR

THOMAS RAVENEL
STATE TREASURER

RICHARD ECKSTROM
COMPTROLLER GENERAL



HUGH K. LEATHERMAN, SR.
CHAIRMAN, SENATE FINANCE COMMITTEE

DANIEL T. COOPER
CHAIRMAN, WAYS AND MEANS COMMITTEE

HENRY J. WHITE
EXECUTIVE DIRECTOR

JIM BRYANT, PH.D.
STATE CHIEF INFORMATION OFFICER
DIVISION OF THE STATE CIO
4430 BROAD RIVER ROAD
COLUMBIA, SOUTH CAROLINA 29210-4012
(803) 896-0300
FAX (803) 896-0789

BEFORE THE FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

IN THE MATTER OF)	
)	
Petition by the State E-rate)	CC Docket No. 02-6
Coordinator's Alliance for Clarification)	
And/Or Waiver of E-rate Rules)	
Concerning Technology Plan Creation)	
And Approval under the Schools And)	Public Notice DA 07-1846
Libraries Universal Service Support)	
Mechanism)	

INITIAL COMMENTS OF

The South Carolina Budget and Control Board
Division of the Chief Information Officer
On Behalf of
The South Carolina K-12 Technology Initiative

I. Introduction

The South Carolina Budget and Control Board - Division of the Chief Information Officer ("CIO"), on behalf of the members of the South Carolina K-12 Technology Initiative, submits these comments to support the Petition submitted by the State E-rate Coordinator's Alliance (SECA) for Clarification and/or Waiver of E-rate Rules Concerning Technology Plan Creation and Approval Under the Schools and Libraries Universal Service Support Mechanism.

II. The South Carolina K-12 School Technology Initiative

In 1996, the South Carolina General Assembly anticipated the advantages of using technology as a tool to promote learning in South Carolina. To facilitate the infusion of technology into the schools and libraries, the General Assembly created the K12 School Technology Initiative¹ which is guided by a unique public/private partnership comprised of the State Budget and Control Board ("CIO"), the South Carolina State Department of Education ("SDE"), the South Carolina Educational Television Commission ("SCETV"), the South Carolina State Library ("State Library"), and the state's private sector telecommunications providers. This group has worked together to develop and build the telecommunications network infrastructure to support the growing technology needs of education in South Carolina at the lowest possible cost, to keep abreast of technological advances, and to ensure that the schools and libraries in South Carolina continue to reap the benefits of the E-rate program.

III. The E-rate Program in South Carolina

Since the inception of the E-rate program, South Carolina schools and libraries have received an average of \$33.7 million annually in telecommunication and Internet access discounts through both individual and consortia applications. The budgets of our schools and libraries are always stretched to the breaking point, and the funding from E-rate has proven critical in allowing the state of South Carolina to build and support the telecommunications infrastructure to meet the growing technology needs of our schools and libraries and to provide Internet access to students and library patrons.

The members of the K-12 Technology Initiative strive to ensure that the rules of the E-rate program are being followed by the applicants in South Carolina.

The CIO serves as the administrator for the K-12 technology initiative funds under the direction of the School Technology Initiative. The CIO also files E-rate applications each year as a consortium for both Telecommunications Services and Internet Access on behalf of South Carolina public schools and libraries

¹ GUIDING LEGISLATION for the Fiscal Year 2006-07 General Appropriations Bill (H.4810) can be found at http://www.scstatehouse.net/sess116_2005-06/appropriations2006/gab4810.htm. Please scroll down to "Related Documents" then click on "Part 1B, Operations of State Government (Microsoft Word format, 907 KB)". Section 72.37. (GP: School Technology Initiative) can be found on Page 503 of Part 1B.

as well as being the state E-rate coordination resource for South Carolina to assist other applicants in the state.

The SDE determines eligibility for public schools in South Carolina and acts as the Universal Services Administration Company (“USAC”) certified approver for school district technology plans while the State Library acts ~~as~~ the USAC certified approver for library technology plans.

The CIO and South Carolina E-rate applicants in general have become increasingly concerned by the School and Library Division’s (“SLD”) strict interpretation of FCC language regarding the creation of technology plans. The language in the FCC’s *Fifth Report and Order* states that a technology plan should be *created* prior to the submission of an applicant’s Form 470 (although it is not a requirement under ~~current E-rate rules to document that creation date~~). ~~Technology plans do not have to be approved until the~~ *start* of services, normally July 1.

In order to meet the E-rate technology plan requirements, the South Carolina technology plan approval and review process ~~was~~ refined and geared toward a July 1 (normal *start of* services date) approval deadline, ~~as was~~ clearly defined in the FCC’s *Fifth Report and Order*. Technology plans are approved and ~~remain~~ in place for South Carolina entities. These previously approved plans are updated periodically, usually during the ~~spring~~, and are then re-approved before July 1 to cover the upcoming *year*.

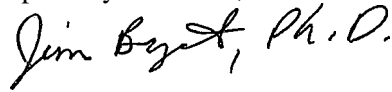
The South Carolina technology plan approvers strive to keep their respective entities in compliance; however, this is becoming increasingly difficult to accomplish as USAC has displayed ~~an~~ unnecessarily strict interpretation of the FCC’s language regarding the creation date of technology plans ~~during~~ Form 486 reviews that could endanger funding for applicants even though they may have already received a valid Funding Commitment ~~from~~ USAC. The direction of the ~~SLD~~ to request documentation that the *creation* date of a technology *plan* was *prior* to the issuance of a Form 470 for a few select applicants during Form 486 reviews, is problematic for applicants and has serious implications ~~that~~ can lead to more funding denials for many applicants if this issue is not clarified by the FCC.

IV. Conclusion

The CIO agrees with and fully supports SECA’s petition that the FCC should clarify the pre-Form 470 technology plan creation rules, and consider the suggestions of SECA for more practical interpretations

of this rule as a solution for the FY2006-07 and 2007-08 applications to **allow** applicants to use **an** existing technology plan **to** meet the pre-Form 470 creation requirements and to allow the applicant an opportunity to correct any deficiencies in that existing **plan** prior to the start of service.

Respectfully Submitted,



Dr. Jim A. Bryant, Ph.D.
State Chief Information Officer
SC Budget & Control Board –Division of the CIO
4430 Broad River Road
Columbia, South Carolina 29210

May 9, 2007